

Leaf & Cole, LLP



Presents
Southeastern Economic Development
Corporation's
Financial Statements
As of and for the year ended
June 30, 2010

Independent Auditor's Report

- Responsibility
 - The financial statements are the responsibility of Management
 - Our responsibility is to express an opinion on these financial statements based on our audit



Independent Auditor's Report

- Standards Followed
 - Auditing Standards generally accepted in the United States of America
 - Government Auditing Standards
- Test Basis
- Reasonable Assurance
- Accounting Principles Used
- Estimates

Independent Auditor's Report

- Opinion
 - Fairly Stated
 - In conformity with Generally Accepted Accounting Principles (GAAP)

Independent Auditor's Report

- Test of Internal Controls over Financial Reporting
- Tests of Compliance with Laws and Regulations

Independent Auditor's Report

Required Supplementary Information:

- Management's Discussion and Analysis
- Budget Comparison



Basic Financial Statements

- Government-Wide Financial Statements
 - Statement of Net Assets
 - Statement of Activities
- Fund Financial Statements
 - Balance Sheet
 - Statement of Revenues, Expenditures and Changes in Fund Balance

**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION
RECONCILIATION OF THE BALANCE SHEET – GENERAL FUND
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010**

Total Fund Balance - General Fund	\$ 227,743
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the general fund balance sheet	18,218
Compensated absences were not due and payable in the current period and therefore were not reported in the general fund balance sheet	(47,502)
Long-term advances from the Redevelopment Agency were not due and payable in the current period and therefore were not reported in the general fund balance sheet	<u>(232,050)</u>
Net Assets of Governmental Activities	<u>\$ (33,591)</u>

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – GENERAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Net Change in Fund Balance - General Fund \$ (110,385)

The change in net assets reported for governmental activities in the statement of activities is different because:

Depreciation expense on capital assets was reported in the statement of activities, but did not require the use of current financial resources; therefore, depreciation expense was not reported as an expenditure in the general fund. (9,505)

Loss on disposal of capital assets was reported in the statement of activities, but did not require the use of current financial resources; therefore, the loss was not reported in the general fund. (6,012)

Changes in compensated absences reported in the statement of net assets did not require the use of current financial resources; therefore, they were not reported as expenditures in the general fund (5,312)

Changes in advances from the Redevelopment Agency of the City of San Diego represent contributions from the Redevelopment Agency that were reported in the statement of activities that do not represent the receipt of current resources. 62,220

Change in Net Assets of Governmental Activities \$ (68,994)

**SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>Operating Revenue</u>				
Total Revenue	\$ <u>2,345,600</u>	\$ <u>2,345,600</u>	\$ <u>1,796,613</u>	\$ <u>(548,987)</u>
<u>Operating Expenditures</u>				
Personnel expenditures				
Total personnel expenditures	<u>1,231,300</u>	<u>1,130,800</u>	<u>991,930</u>	<u>138,870</u>
Non-personnel expenditures				
Total non-personnel expenditures	<u>1,114,300</u>	<u>1,214,800</u>	<u>915,068</u>	<u>299,732</u>
Total operating expenditures	\$ <u><u>2,345,600</u></u>	\$ <u><u>2,345,600</u></u>	<u>1,906,998</u>	\$ <u><u>438,602</u></u>
Net Change in Fund Balance			(110,385)	
Fund Balance at Beginning of Year			<u>338,128</u>	
Fund Balance at End of Year			\$ <u><u>227,743</u></u>	

Thank you

February 7, 2011